

Board of Selectmen  
Thursday, January 14, 2014

A workshop was held on Thursday, January 14, 2014 in Conference Room A at 7pm; present were all five selectpersons, the Town Administrator and the Asst. to the Town Administrator.

The Town Administrator stated that now that all requests are in; \$1,320,000 will need to be cut from the budget.

Fire Dept: requesting to add 4 hours on Fridays for the fire inspector, so there will be five 4-hr days. \$505,030 is being requested for a new truck, and there is a list of needed equipment, so the whole expense would be just under \$600,000. The current vehicle is a 1986, it would cost \$60,000 to \$80,000 to repair the existing vehicle. After placing the order for the truck it would be approximately one year before the truck arrives. Selectperson Murphy questioned if the town could lease a truck instead of purchasing one. It was stated that this is possible, and that is how the 1986 vehicle was acquired.

School Budget: Rob Liebow, School Superintendent, presented the school budget. He said the total budget for next year is \$12,578,657; this is a 1.47% increase over last year's, or an increase of \$181,678.

A \$300,000 several year grant from The Tower Foundation for professional development was received years ago; there are no new monies coming in to keep that initiative going; this budget has a \$7,500 for this. The Elementary Asst. Principal/Curriculum Coordinator position for \$87,000 for the evaluation system needed for accreditation is still in the budget. Food Service is requesting \$3,000; that is what is needed to stabilize the program and come in even. The three Kindergarten aides are still in the budget at .80 FTE, these positions are currently funded through a grant which may not continue; it is in the budget currently at 50%. There are 21 students in Kindergarten and these aide positions are critical. R. Liebow said they have been reviewing the Substitute line item, they looked at real expenses vs. budgeted expenditures and it revealed that more has been spent than was budgeted. He said he is trying to be sure that the budget reflects actual expenditures. The Special Education line had over \$50,000 on evaluations for special education students performed by outside evaluators. There is an increase in the speech caseload from 1.8 to 2.0 FTE; there is \$15,362.00 still in the budget. Text books were increased from \$12,859 to \$15,539; the schools are behind in this area. Nurses are now part of the Teacher's Association; that cost is over \$33,000. The guidance secretary and Library Asst. positions were removed. There is an added expectation for the Special Education Secretary to keep track of records and data and submissions to get reimbursed on Special Education Services for those that are eligible for Medicare; \$70,000 to \$100,000 per year is coming in as Medicaid reimbursement. Currently those funds go directly into the general fund; it is not school revenue. R. Liebow said it would be helpful if those funds could be directed to a stabilization fund so if a child moves into town, there would be some funds in a reserve account to cover those costs. He said the Maintenance Director is retiring, vacation time and training the new director \$8,500 is in this budget. Monitors for buses for the elementary schools are in this budget at \$12,500; this has not been in the budget previously. The buses are about half way through their useful life; they were purchased five years ago; buses generally have a 10 year life span. Special education tutoring, fuel oil, and inside painting costs are still in the budget. Increased phone costs of \$5,000 for cell phones for administrators are in the budget as well as K-12 staff faculty curriculum coordinators for the middle and high school for \$75,000. There are one-time retirement incentives (\$12,500), and

\$3,500 to mentor new hires after the retirement incentive is in this budget, nursing supplies, math specialist at the elementary school has been eliminated, lane movement is fully budgeted. \$1.4M in reserves existed previously, this filled any gaps. Over time that reserve has depleted and is now estimated to be at approximately \$176,000 after this year. It is generally recommended that a minimum of \$400,000 should be carried in reserves. To redirect Medicaid funds to a stabilization fund would require a 2/3 vote of town to put funds in and take funds out.

He said they are trying to refuel the reserve back to approximately \$400,000, if the town's contribution was \$10,452,560 (that represents the 2% salary and 1% of expenses per the guidelines), the school budget will be \$697,097 short. This translates to a \$175.22 addition for the average homeowner for the average house. If the school could hold at 3% and the town could go to 2.5%, the reserve could be maintained at reasonable levels for perhaps 5 years.

R. Liebow said there are 210 School Choice students out of 900; 1/3 of the middle school is School Choice.

R. Liebow said since 2002, there has been an average per year of 2.15%, that 2.15% includes the funds from 2 budget overrides. Last year there was a \$253,000 additional one-time cost for a special education spike. The actual needed to operate costs have increased on an average of 3.54/year; average Massachusetts costs have increased by 3.69% each year since 2002.

The Town Administrator said 7% was used for a health insurance increase.

W. Hess said the School Committee and the Finance Committee is meeting next Tuesday to review the budget.

Other departments currently requesting funds outside of the guidelines:

#70 Grant Finder

Youth Center operations; an increase of \$7,000 is being requested. Nikki Marin commented that it's been a terrific collaboration between the YMCA and the town, the 7 year anniversary is approaching. She said programs and participation have increased. The additional funds are needed for maintenance (windows, floors), also staffing, and programming. They're looking for the 1/3 of last year's loss of \$21,000. The YMCA requires that town's participate so they're invested in the effort; the YMCA ensures appropriate training for staff.

Assessors, #165, purchase of services, MLS costs to validate some of the sales/comparisons.

Treasurer/Collector, #202, flexible spending accounts were previously just for teachers now they're available for all town employees, the liability is there for any employees who terminate early in the year and funds have been accessed, this will start on January 1, 2014.

Personnel Board – the cost of the annual bonus pool is being requested.

IT: #290

IT is requesting funds for administrative support at the Annex, 5 hrs/week at \$18; this needs to be investigated to be sure it's not duplicative of what the Board of Health is requesting.

Tech. training is being increased from \$6,000 to \$7,000.

All phone charges were transferred from all individual departments to the IT budget; cell phone charges will need to be moved back to individual departments. Allocating these expenses every month is a considerable amount of work for DPW staff.

Town Clerk, #341, P. Brown was present and said that the Town Clerk doesn't receive any COLA's, etc. This year the request is an increase of \$5,000, this was increased by \$6,100 in the prior year, \$2,000 is being requested for education funds for the Asst. Town Clerk.

#377 and #393 a transfer of funds from election expenses to labor because they can't be compensated as contractors any longer.

Rights of Way Committee, #433, Tom Kearns, Jane Moginot and Matt Cegalis were present. T. Kearns said there is a change in this year's budget; the budget has been the same since 1989. He stated that this is a volunteer basis largely. They hired a landscaper and the new price to maintain the Atlantic Path went from \$2,000 to \$3,500. They are requesting an additional \$3,000; they maintain signs, react to storm damage and take care of general upkeep.

Planning Board: #449 and #451, there is an increase in office supplies from \$465 to \$762. Hank Betts said the Board of Health used to cover expenses, now they're being asked to carry their own expenses. He said the hourly rate for the planner is being reviewed; he said they are 3 months into recruiting for the planning position. With the 5% increase they weren't sure if they could recruit for this 12 hr/week position. They should know more about recruiting for this position in a couple of weeks.

Police Dept: #59, a 4% increase for the Lt. position is being requested, #495 a 2.67% for the Sergeants, #502 a 11.28% for officers, however, this is due to an officer being added also.

The requested increases for the Office Manager and Lt. need to be clarified. The requested increase for the Office Managers is approximately 3.53%. Additional clarity is needed around both of these requested increases as well as the overtime and holiday pay for the Lt. position. The Chief of Police and Town Administrator will meet to review this. Solar colored speed lights, and the placement of this in the budget was discussed, because the DPW will be installing them they appear in the DPW budget.

The Chief of Police said the plan is to move the new meters from School Street to Front Beach; that will leave 8 credit card capable meters on School Street.

Lifeguards: #636, \$4614 for labor.

Recreation, #2314 is outside of the guideline, Program Costs, \$2500 is for summer program charges. They have children that cannot afford to participate and can't pay the \$190 for SummerFun. Because they don't turn any kids away, they need funds to cover this. It was discussed that the Summer Program runs out of the schools, so they have to end the program early every summer to allow the

schools to get ready for the fall. This needs to be discussed more because there is a gap for parents where there's no coverage for kids for a couple of weeks every August.

DPW: Community House Facilities Manager, #1814, the new position is \$10,200.

Insurance: #2830 a 13% increase is projected. Roberta Josephson said whatever the town's insurance agent states the cost for the year will be is what is budgeted. She said worker's compensation is in the 3rd year of an assessment and the town's experience hasn't been positive. Other costs are higher because property values have not been increased for a number of years. She said fire coverage for the Marmion Way property and two other tax foreclosures will add costs. A line for insurance deductibles was added this year.

The Town Administrator said lines 2851 to 2858 are the summary; she said we have to start cutting even before going to the Finance Committee. It goes to the Finance Committee by the end of January. She said debt service is the highest % increase. L. Sanders said it would be helpful if C. Arnaud could look into anything that doesn't need borrowing; #2856 is \$457,000 more than this year. C. Arnaud said whether that number can be reduced depends on those departments that are asking for those funds. Many of these requests are undecided; it's early to make that determination.

Capital budget – DPW, J. Gardner, DPW Chairman, said there may be some changes to the current plans. He said \$50,000 could be taken off for roadway improvement and put it towards the beach management plan. He said we would prefer to not move forward on the beach management plan until the sediment transport study, so we can leave the \$50,000 in road improvements. Also, to hold off on the \$68,000 for the Old Rockport Harbor dredging; the DPW has been criticized for having projects that aren't getting completed. This is not one that could be completed without the balance of \$600,000, so rather than having this on the books, we'll forego the \$68,000, how about adding the \$68,000 to the \$50,000 for road improvements. The DPW Commissioners will know better what changes they'd like to make after their next meeting on the 22nd.

Selectperson Murphy moved to adjourn, Selectperson Sheedy seconded, Vote: 5-0.

Warrant Signed:

Warrant signed for the Fiscal Year 2014 Payroll and Expenses for the week of 1/16/14 in the amounts of \$114,885 and \$840,357.26 respectively.

Items signed:

Common Victualler's License, The Red Skiff, Steven Salah  
Innholder's License, Sally Webster Inn